

WARNING: POLICIES ARE UPDATED PERIODICALLY, SOMETIMES PRIOR TO A RENEWAL DATE THAT MAY APPEAR ON THE COVER OF THE POLICY. A PRINTED COPY MAY BE OUTDATED. YOU ARE RESPONSIBLE FOR ENSURING THAT YOU ARE COMPLYING WITH THE CURRENT GOVERNING POLICY. THE CURRENT GOVERNING POLICY IS POSTED TO THIS GLOBAL POLICY PORTAL.

**CLEVELAND-CLIFFS INC. AND ASSOCIATED COMPANIES
CONFLICTS OF INTEREST POLICY**

Effective Date: August 15, 2017 Supersedes: C-1005 (October 1, 2014)

Policy No: C-1005

APPROVED



Follow-up Review Date: As Needed

Lourenco Goncalves

UNITS AFFECTED

Cleveland-Cliffs Inc. and its consolidated subsidiaries and associated companies

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DISTRIBUTION

Company's Intranet: <http://www.onecliffs.com>

MAINTENANCE RESPONSIBILITY

Executive Vice President, Chief Legal Officer and Secretary

1. **UNITS AFFECTED**

1.1. Cleveland-Cliffs Inc. ("Cliffs"), consolidated subsidiaries, and associated companies including partnership mines (collectively, the "Company").

2. **PURPOSE**

2.1. The objective of this Policy is to ensure that all business decisions are made in the best interests of the Company and that employees perform their duties and exercise their judgment without impairment or the appearance of impairment by virtue of non-Company interests or relationships.

3. **POLICY**

3.1. A conflict of interest generally exists when some circumstance outside the business relationship (e.g., personal/family relationships or financial situations) affects or may appear to an independent observer to affect an employee's business judgment, performance, actions or decisions or when an employee's position or responsibilities with the Company present an opportunity for personal or family gain from potential or actual business transactions.

3.2. While the Company respects the right of employees to privacy in their personal activities and financial affairs, Company employees have a duty to the Company to be entirely free from the influence of any conflicting interests when they make business-related decisions, when they represent the Company in any business dealings, or when they make any recommendations which may influence an action of the Company.

3.3. An employee should not use his or her position with the Company or information acquired during employment in a manner that may create a conflict, or the appearance of a conflict, between the employee's personal interests and those of the Company, the Company's customers, and the Company's suppliers. An employee must make all business decisions for the Company free of conflicting outside influences. Absent written authorization by a General Manager or higher ranked officer of the Company, no employee shall be affiliated with any customer, supplier or provider of goods or services to the Company.

3.4. Each employee should avoid personal favor of any kind from any firm or person having current or ongoing dealings with the Company if such favor actually or potentially produces or appears to produce conflicts with the Company's interests or reflects unfavorably on its integrity.

3.5. **Outside Employment.**

3.5.1. Outside employment can present a conflict of interest. You must inform your manager before accepting a second job (sometimes referred to as "moonlighting") for which you are compensated.

- 3.5.2. It is your responsibility to ensure that any outside employment does not present a conflict of interest or adversely affect your job performance for the Company or in any way interfere with your duties to the Company.
- 3.5.3. Your manager should consult with your local Human Resources department to determine whether or not your outside employment poses a conflict, a potential conflict or the appearance of a conflict. Any questions, concerns or uncertainties should be escalated to the Legal Department.
- 3.6. Board of Director Memberships.
 - 3.6.1. For-Profit Boards. If you are considering serving on the board of directors for an outside for-profit company, such service requires advance approval, particularly in circumstances where the entity in question does business with the Company. You must contact the Chief Legal Officer or another member of the Company's Compliance and Ethics Committee before accepting such a position. Where appropriate, the Chief Legal Officer will review your request with the full membership of the Executive Leadership Team.
 - 3.6.2. Not-for-Profit Boards. While positively impacting our communities by serving on a board of directors for a non-profit organization is encouraged and does not require prior approval, you may only accept this position if it does not negatively impact your ability to perform your duties for the Company.
- 3.7. Common sense and good judgment must be exercised to avoid the appearance of a conflict of interest.
- 3.8. The following are some additional examples of conflicts of interests:
 - 3.8.1. For an employee, or any member of the employee's immediate family, to hold controlling investments (as determined by the Company) or any other direct or indirect financial interests in the business of a supplier or competitor of the Company (other than a publicly traded stock, e.g. Vale, US Steel or BHP);
 - 3.8.2. For an employee to do business with a relative on behalf of the Company unless the facts are disclosed and prior authorized approval is received;
 - 3.8.3. For an employee to accept or solicit a loan, gift, favor, or anything of value from a source having business relations with the Company, except for usual business entertainment that complies with all other Company policies;
 - 3.8.4. For an employee to benefit directly or indirectly from a third party that furnishes products, materials, or services to the Company;

- 3.8.5. For an employee to participate in any activity that competes with the Company, deprives the Company of business, or provides services that the Company provides;
 - 3.8.6. For an employee to misuse the Company's resources or assets for personal gain or personal interest;
 - 3.8.7. For an employee to allow dealings on behalf of the Company to be influenced (or appear to be influenced) by personal or family interests;
 - 3.8.8. For an employee to have influence or control over the employment decisions, including hiring, promoting, demoting, termination, job evaluation or compensation, relating to any person who is a relative or romantic partner; or
 - 3.8.9. For an employee to make personal use of or share the Company's Confidential Information or Inside Information for profit, such as buying or selling, or advising others to buy or sell, Company stock, property, products or raw materials on the basis of such information.
- 3.9. Circumstances that pose a conflict of interest for our non-director and non-executive officer employees are prohibited unless a waiver is obtained from an executive officer of the Company. Consistent with New York Stock Exchange listing requirements, any waiver of this conflict of interest policy for a director or executive officer of the Company may only be made by the Board of Directors or a Committee of the Board of Directors, and any waiver will be promptly disclosed.
- 3.10. Reporting Violations
- 3.10.1. Any employee who has knowledge of conduct that he or she believes may violate the Conflicts of Interest Policy, including situations that involve an appearance of a conflict, has an obligation, promptly after learning of such conduct, to bring the matter to the attention of Cliffs' Chief Legal Officer either directly or through use of the Company's anonymous Ethics Helpline or Website.
 - 3.10.2. Any employee who violates the Company's Conflict of Interest Policy, or who directs or knowingly permits a subordinate to violate this Policy, shall be subject to disciplinary action, including possible termination.
 - 3.10.3. Any form of adverse action or retaliation against any Company employee for reporting in good faith a suspected violation of this Policy or for participating in an investigation of a suspected violation will not be tolerated and is expressly prohibited. Any employee who participates in retaliatory conduct in violation of

this Policy will be subject to disciplinary action as deemed necessary, up to and including termination.

RELATED POLICIES

- 4.1. Insider Trading and Material Inside Information Policy
- 4.2. Confidential Information Policy
- 4.3. Related Party Transactions Policy

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